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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/422,114	10/20/1999	THOMAS CHURCHILL	18567-0011	5123

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EXAMINER
GRAHAM, CLEMENT B

ART UNIT	PAPER NUMBER
3628	

DATE MAILED: 05/23/2002

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)	
	09/422,114	CHURCHILL ET AL	
	Examiner	Art Unit	
	Clement B Graham	3628	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *20 October 1999* .

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-14* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-14* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

11)☐ The proposed drawing correction filed on _____ is: a)☐ approved b)☐ disapproved by the Examiner.

If approved, corrected drawings are required in reply to this Office action.

12)☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

13)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____ .

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

14)☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).

a) ☐ The translation of the foreign language provisional application has been received.

15)☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☒ Information Disclosure Statement(s) (PTO-1449) Paper No(s) *6* .
4) ☐ Interview Summary (PTO-413) Paper No(s). _____ .
5) ☐ Notice of Informal Patent Application (PTO-152)
6) ☐ Other: .

DETAILED ACTION

Claim Rejections - 35 USC § 103

1. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patent ability shall not be negatived by the manner in which the invention was made.

Claim 1- 14 are rejected under 35 U.S.C. 103(a) as being unpatentable Fisher et al U.S Patent 5,835,896

As per claim 1, Fisher et al discloses that when a bid is received by bid validator the customer is looked up in the customer database. If no customer record exists for the customer then a new customer record is created and placed in customer database and from there, the bid information is validated as previously described. If the bid data includes one or more errors, then an error message is returned to the bidder, preferably in the form of a well-formatted page posted across the network, itemizing the errors found in the bid. If the bid is valid, then the bid is placed in bid database. (See column 8 lines 30-40 of Fisher et al). Fisher et al does not explicitly teach a second account record associated with a second bidder or a second bidder where the second bid is associated with a second bid price or a auction server reserves the second bid price from the second account record if the second bid is valid. It would have been obvious to one of ordinary skill in the art at the time the invention was made that the teachings of Fisher et al can be used to accomplish the functions of a second account record associated with a second bidder or a second bidder where the second bid is associated with a second bid price or a auction server reserves the second bid price from the second account record if the second

bid is valid in order to have a larger volume of customers associated with the auction. The benefit would have been for greater financial gain for the company holding the auction.

As per claim 2, Fisher et al discloses that when a bid is received by bid validator and the bid is not valid and if the bid data includes one or more errors, then an error message is returned to the bidder, preferably in the form of a well-formatted page posted across the network, itemizing the errors found in the bid. (See column 8 lines35-40). Fisher et al does not teach wherein the auction server unreserves a first bid amount associated with a first bid from the bidder in the first account record. It would have been obvious to one of ordinary skill in the art at the time the invention was made that using the teachings of Fisher et al would not have had the need to unreserves a bid because the bid validator would have caught the error or errors during the validation process. The benefit would have been to avoid erroneous bids entering the system and further creating a efficient and accurate system.

As per claims 3-5, Fisher et al discloses a inventive method and system is disclosed for conducting a multi-bidder, interactive auction without using a human auctioneer to conduct the auction. Preferably implemented in software, the electronic auction system allows a group of bidders to interactively place bids over a computer or communications network, automatically records the bids, updates the bidders with the current auction status information, closes the auction from further bidding when appropriate, and notifies the winning bidder or bidders and loser or losers as to the auction outcome. (See column 6 lines 5-10). Fisher et al does not teach an auction wherein winning M= 1 and N=1 or M=N or M= 1 and N=1. It would have been obvious

to one of ordinary skill in the art at the time the invention was made to apply the teachings of Fisher et al in order to achieve the functions of M = 1 and N = 1 or M = N or M = 1 and N = 1. The benefit would have been for their to be a winner or winners at the completion of an auction.

As per claim 6, The granting of incentive points is a common practice in the art. It would have been obvious to one of ordinary skill in the art at the time the invention was made to grant incentive points in order to attract a larger volume of customers. The benefit would have been to increase customers thereby creating a financial gain for a company.

As per claim 7, Bid amount whether first or second amount are commonly the amount of money that one bid on products or items. It would have been obvious to one of ordinary skill in the art at the time the invention was made to use bid amount during an auction in order to specify the amount of money one will place on that bid. The benefit would have been for a customer invest his or her money on a item being auction at a acceptable price.

As per claim 8, Fisher et al discloses that when a bid is received by bid validator the customer is looked up in the customer database. If no customer record exists for the customer then a new customer record is created and placed in customer database and from there, the bid information is validated as previously described. If the bid data includes one or more errors, then an error message is returned to the bidder, preferably in the form of a well-formatted page posted across the network, itemizing the errors found in the bid. If the bid is valid, then the bid is placed in bid database. (See column 8 lines 30-40 of Fisher et al). Fisher et al also discloses upon accessing a public

network and seeing an item's catalog page, the bidder may press a button on the catalog page or take some similar action which causes a bid form to be displayed on the screen. The bidder then enters the information necessary to place a bid, such as their name and address, bid amount, payment information, etc., and then presses a bid submission button, or takes a similar action which sends the bid to the system and the system receives the electronic bid information and places it in the bid database. Because this new bid will, in general, be a bid for a higher amount than was last bid by another party, the system will regenerate the item's catalog page. This updated catalog page will then show the new high bid to any prospective bidders who later access that catalog page.(See column 6 lines 30-45 of Fisher et al). Fisher et al also discloses a computer network enabling communication between a host computer and a plurality of remote customers, an auction information transmission and processing system implemented as a computer program within the host and network, comprising, a merchandise database connected in communication with the host for storing merchandise information, the merchandise information being descriptive of a lot available for purchase by a customer, a bid database in communication with the host for storing bid information, the bid information being descriptive of a bid received from one of the remote customers, an auction manager implemented in the server and in communication with the databases, an electronic mail messenger in communication with the auction manager and the bid database, a bid validator, including means for receiving bids from the customers, connected to the auction manager and in communication with the bid database, wherein the auction manager induces a customer to bid across the network on a lot of merchandise by posting a descriptive merchandise catalog page containing data from the

merchandise database, the customer views across the network the catalog page and sends a bid to the bid validator across the network, the bid validator determines whether the bid is valid, the bid database stores the bid, the auction manager determines whether the bid is successful, and the electronic mail messenger notifies the customer whether the customer's bid was determined to be successful by the bid manager.(See column 4 lines 50-65 and column 5 line 5 of Fisher et al). Fisher et al does not explicitly teach a first logic for receiving bids from a plurality of bidders where each bid is associated with a bidder selected number of or payments units or a second logic for reserving the bidder selected number of payments units in the bidders respective account record if the selected number of payment units is available in the account record. It would have been obvious to one of ordinary skill in the art at the time the invention was made that the teachings of Fisher et al can be used to accomplish the functions of first logic for receiving bids from a plurality of bidders where each bid is associated with a bidder selected number of or payments units or a second logic for reserving the bidder selected number of payments units in the bidders respective account record if the selected number of payment units is available in the account record in order to store payment information. The benefit would have been to document customers payment information in a database for future access.

As per claim 9, Fisher et al discloses that when a bid is received by bid validator the customer is looked up in the customer database. If no customer record exists for the customer then a new customer record is created and placed in customer database and from there, the bid information is validated as previously described. If the bid data includes one or more errors, then an error message is returned to the bidder, preferably in

the form of a well-formatted page posted across the network, itemizing the errors found in the bid. If the bid is valid, then the bid is placed in bid database. (See column 8 lines 30-40 of Fisher et al). Fisher et al does not teach wherein the first logic receives a second bid of a second number of payment units from a second bidder and had already received a first bid of first number of payment units from a bidder and the second logic unreserves a first bid number of payment units from account record of the first bidder if the first number of payment units is less than the second number of payments units. It would have been obvious to one of ordinary skill in the art at the time the invention was made that applying the teachings of Fisher et al could have been used to accomplish wherein the first logic receives a second bid of a second number of payment units from a second bidder and had already received a first bid of first number of payment units from a bidder and the second logic unreserves a first bid number of payment units from account record of the first bidder if the first number of payment units is less than the second number of payments units because the units would have been stored in the bid database and could have been easily deleted from the database in event their were a need to do so. The benefit would have been to delete information from the database as needed.

As per claim 10, The granting of incentive points is a common practice in the art. It would have been obvious to one of ordinary skill in the art at the time the invention was made to grant incentive points in order to attract a larger volume of customers. The benefit would have been to increase customers thereby creating a financial gain for a company.

As per claim 11-12, Fisher et al discloses that when a bid is received by bid

validator the customer is looked up in the customer database. If no customer record exists for the customer then a new customer record is created and placed in customer database and from there, the bid information is validated as previously described. If the bid data includes one or more errors, then an error message is returned to the bidder, preferably in the form of a well-formatted page posted across the network, itemizing the errors found in the bid. If the bid is valid, then the bid is placed in bid database. (See column 8 lines 30-40 of Fisher et al). Fisher et al also discloses a computer network enabling communication between a host computer and a plurality of remote customers, an auction information transmission and processing system implemented as a computer program within the host and network, comprising, a merchandise database connected in communication with the host for storing merchandise information, the merchandise information being descriptive of a lot available for purchase by a customer, a bid database in communication with the host for storing bid information, the bid information being descriptive of a bid received from one of the remote customers, an auction manager implemented in the server and in communication with the databases, an electronic mail messenger in communication with the auction manager and the bid database, a bid validator, including means for receiving bids from the customers, connected to the auction manager and in communication with the bid database, wherein the auction manager induces a customer to bid across the network on a lot of merchandise by posting a descriptive merchandise catalog page containing data from the merchandise database, the customer views across the network the catalog page and sends a bid to the bid validator across the network, the bid validator determines whether the bid is valid, the bid database stores the bid, the auction manager determines whether

the customer's bid was determined to be successful by the bid manager.(See column 4 lines 50-65 and column 5 line 5 of Fisher et al). Fisher dose not explicitly teach where each bid is associated with a bidder selected number of payment units and a second automated bidder maximum number of payment units or a second logic for reserving the bidder selected maximum number of payment units in the bidders respective account record if the second automated bidder maximum number of payment units is available in the account record. It would have been obvious to one of ordinary skill in the art at the time the invention was made that the teachings of Fisher et al can be applied to execute the functions wherein each bid is associated with a bidder selected number of payment units and a second automated bidder maximum number of payment units or a second logic for reserving the bidder selected maximum number of payment units in the bidders respective account record if the second automated bidder maximum number of payment units is available in the account record in order to document the bids and payment information of one or more bidders in a database. The benefit would have been to record all the pertinent bid information in a database for future use.

As per claim 13, Fisher et al discloses that when a bid is received by bid validator the customer is looked up in the customer database. If no customer record exists for the customer then a new customer record is created and placed in customer database and from there, the bid information is validated as previously described. If the bid data includes one or more errors, then an error message is returned to the bidder, preferably in the form of a well-formatted page posted across the network, itemizing the errors found in the bid. If the bid is valid, then the bid is placed in bid database. (See column 8 lines 30-40 of Fisher et al). Fisher et al does not teach wherein the first logic receives a second

bid of a second number of payment units from a second bidder and had already received a first bid of first number of payment units from a bidder and the second logic unreserves a first bid number of payment units from account record of the first bidder if the first number of payment units is less than the second number of payments units. It would have been obvious to one of ordinary skill in the art at the time the invention was made that applying the teachings of Fisher et al could have been used to accomplish wherein the first logic receives a second bid of a second number of payment units from a second bidder and had already received a first bid of first number of payment units from a bidder and the second logic unreserves a first bid number of payment units from account record of the first bidder if the first number of payment units is less than the second number of payments units because the units would have been stored in the bid database and could have been easily deleted from the database in event their were a need to do so. The benefit would have been to delete information from the database as needed.

As per claim 14, Fisher et al discloses that when the system detects that the item is scheduled to be closed for further bidding or another closing trigger is detected. At this point, the system closes the auction by updating the merchandise catalog page with the final winning bid information and by sending electronic mail notifications to both the winning bidder or bidders and the losing bidder or bidders.(See column 7 line 5 of Fisher). Fisher et al does not explicitly teach wherein the second logic unreservers the difference between a final winning price and the second automated bidder maximum number of payment units if a second bidder is declared the winner and the final winning price is less than the second automated bidder maximum number of payment units. It

would have been obvious to one of ordinary skill in the art at the time the invention was made that applying the teachings of Fisher et al would have accomplish the functions of wherein the second logic unreservers the difference between a final winning price and the second automated bidder maximum number of payment units if a second bidder is declared the winner and the final winning price is less than the second automated bidder maximum number of payment units in order to accurately select winner or winners. The benefit would have been to select correct winner or winners from the auction.

Conclusion

3 The prior art of record and not relied upon is considered pertinent to Applicants disclosure.

Berent (US 5,774,873 Patent) teaches electronic online motor vehicle auction and information system.

Shintani (US Patent 5,668,591) teaches information terminal apparatus that is remotely programmed by radio waves and that displays input keys of program functions on a display.

Brown (US Patent 5,794,219) teaches method of conducting an online auction with bid pooling.

Fujisaki (US Patent 5818914) teaches auction information transmission processing system.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Clement B Graham whose telephone number is 703-305-1874. The examiner can normally be reached on 7am to 5pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Frantzy Ponvil can be reached on 703-305-9779. The fax phone numbers for

the organization where this application or proceeding is assigned are 703-305-0040 for regular communications and 703-305-0040 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-305-3900.

CG
May 20, 2002

FRANTZY POINVIL
PRIMARY EXAMINER
AU 3628